

**BOARD OF INVESTMENT TRUSTEES  
MONTGOMERY COUNTY EMPLOYEE RETIREMENT PLANS**

**MINUTES – OPEN SESSION**

January 27, 2012

101 Monroe Street, 9<sup>th</sup> floor  
Rockville, Maryland

Board Members Present: Kelda Simpson  
Sunil Pandya  
Jeff Sharpe  
Joseph Beach  
Meg Menke  
George Willie via telephone until 11:30am  
Steve Farber  
Lodge Gillespie

Staff: Linda Herman  
Marc Esen  
Brad Stelzer  
Stuart Potter  
John Feketekuty

Others Present: Mark Brubaker, Wilshire Associates  
Mike Dudkowski, Wilshire Associates  
Brad Atkins, Franklin Park  
Narayan Chowdhury, Franklin Park  
Amy Moskowitz, Counsel to the Board

***CALL TO ORDER***

Mr. Sharpe called the open session of the Board to order at 9:50 a.m.

***DETERMINATION OF MEETING***

The Board unanimously approved a motion to move into closed session at 9:50 a.m. for the purpose of discussing the investment of public funds, pursuant to Maryland Code, State Government Article, 10-508(a)(5) and to consult with counsel to obtain legal advice under 10-508(a)(7).

Mr. Sharpe called the open session of the Board to order at 11:11 a.m.

**Approval of the Minutes:** Mr. Beach moved and Ms. Simpson seconded, and the Board unanimously approved the minutes of the November 18, 2011 meeting.

**Approval-Preliminary FY 12 and FY 13 Estimated Budgets:** Ms. Herman presented the annual budget for the three retirement plans. She noted that the actual FY 11 expenses were 23.3% lower than the approved budgeted amounts due to a staff vacancy, less use of outside legal services, and other cost reductions. FY 12 costs are projected to be 14.2% lower than the approved FY 12 budget amount due to the delay in filling staff vacancies. The FY13 requested budget is 2.8% lower than the FY12 approved budget. After discussion, Mr. Farber moved and Ms. Simpson seconded and the Board unanimously approved the following resolution:

**1201-03      *Resolved, That the Board approves the Board-related expenses associated with the Employees' Retirement System, Retirement Savings Plan, and Deferred Compensation Plan budgets for FY12 and FY13, to be updated for salary and benefit changes as supplied by the Office of Management and Budget.***

**Bylaws Committee Membership:** Mr. Sharpe noted that the following members had agreed to serve on the newly formed Bylaws Committee: Mr. Renne, Mr. Adler, Mr. Gillespie, Ms. Menke and Mr. Pandya. The committee will examine the rotation of officers, procedures for meeting agendas, voting by proxy and participating via teleconferencing.

**Comprehensive Annual Financial Report:** Ms. Herman updated the Board on the status of the completion of the Comprehensive Annual Financial Report targeted for the end of February.

**ERP Project – Retiree Payroll:** Ms. Herman presented a summary of the current status of moving the processing of retiree payroll from Aetna to the County.

**Trustees Annual Ethics Disclosure:** Ms. Herman requested that all members complete their annual ethics disclosure for the year ended December 31, 2011.

**Workplan:** The Board made no changes to the workplan.

**County Code Attendance Provisions:** Ms. Moskowitz presented a memo which responded to questions relating to the Board's attendance provisions, as well as the County Code requirements for other Board, Commissions and Committees. After discussion, Mr. Farber moved and Ms. Simpson seconded and the Board unanimously approved the following resolution (George Willie not present to vote):

**1201-04      *Resolved, that the Board adopt a procedure to report to the County Executive members who have not complied with the attendance provisions as currently provided in the County Code and the Bylaws.***

The Board unanimously approved a motion to move back into closed session at 11:55a.m. for the purpose of discussing the investment of public funds, pursuant to Maryland Code, State Government Article, 10-508(a)(5) and to consult with counsel to obtain legal advice under 10-508(a)(7).

Mr. Sharpe called the open session of the Board to order at 12:40p.m.

There being no further business of the Board, the open meeting session was adjourned at 12:41 p.m.

Respectfully submitted,

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Sunil Pandya, Secretary